

Federal Government expenditures and are primarily for wages and salaries plus some related expenses for transportation and relocation costs, training, and severance pay.

PROCUREMENT ACTIVITIES DESIGNED TO ASSIST DEPRESSED AREAS

PART I. DESCRIPTION OF THE PROGRAM

1. Objectives

The program is designed to assist concerns in labor surplus areas to participate in defense procurement, to provide job opportunities in communities where unemployment is high.

2. Operation

It is wholly a Federal operation dealing with prospective private defense contractors and defense procurement officials.

The DOD has established the following six subprograms to promote military procurement in labor surplus areas, and during fiscal year 1965 intensified action on these programs in order to maximize assistance to concerns in such areas:

(1) Defense and servicewide (Army, Navy, Air Force, Defense Supply Agency, and the Defense Contract Administration Service) action for development and utilization of procurement sources in labor surplus areas.

(2) Using appropriate "preferential procedures" to assist labor surplus contractors, including "set-asides."

(3) Assuring that prime contractors develop and utilize their subcontracting labor surplus area sources.

(4) Procurement clinics to explain the Federal contract process to labor surplus areas.

(5) Defensewide and servicewide (Army, Navy, Air Force, Defense Supply Agency, and the Defense Contract Administration Service) counsel and assistance to State, industry, and communities through designated labor surplus and small business specialists.

(6) Participation on special projects covering long time labor surplus areas, disaster areas, or areas experiencing closing of industries, such as Appalachia, Alaska, and South Bend.

3. History

In 1952, under the authority of the Defense Production Act, the Director of the Office of Defense Mobilization issued a series of Defense Manpower Policies to assure maximum utilization of manpower during the Korean conflict. Defense Manpower Policy No. 4 stated that it was Government policy to "encourage full utilization of existing production facilities and workers in preference to creating new plants or moving workers, thus assisting in the maintenance of economic balance and employment stability."

The policy continues in effect under the Office of Emergency Planning, in the Executive Office of the President (successor agency to ODM).

4. Level of operations. (See table 1.)

Program: Procurement activities designed to assist depressed areas.
Department or agency, and office or bureau: Department of Defense.